UNITED STATES DEPARTMENT OF AGRICULTURE
PRODUCTION AND MARKETING ADMINISTRATION
Information Branch
623 South Wabash Avenue
Chicago 5, Illinois

FOR ADMINISTRATIVE USE ONLY

June 7, 1949

MIDWEST INFORMATION SUMMARY

To: PMA Offices, Midwest Area

From: Walter W. John, Chief, Information Branch, Production and Marketing Administration, Midwest Area

Walter W. John

George D. Bradley, director of the PMA Commodity Office in Chicago, will speak at the annual meeting of the Indiana Grain and Feed Dealers Association at Indianapolis, Monday, June 20. Mr. Bradley will speak on the subject "Commodity Stockpile - Curse or Blessing?" Our first look at his speech has caused us to decide to mimeograph it for distribution to all offices in the area.

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Richard C. Bender, Chief of the Administrative Services Division in this area, has been elected chairman of the Area III Agricultural Equipment Committee. His election by members of the Committee was approved by the Office of the Secretary of Agriculture.

The Committee is made up of one representative from each of the USDA agencies operating in Area III, including Illinois, Indiana, Iowa, Michigan, Minnesota, Missouri, Ohio, and Wisconsin. The Committee is responsible for obtaining efficient utilization of any equipment that is declared surplus by any of these agencies. Mr. Bender's office will be the clearing house for notification on surplus equipment and transfers.

* * * *

Retus Palmer, employment officer for the Personnel Division in this area, will transfer next weekend to Gainsville, Florida, where he will be administrative officer for the Florida PMA Committee. Retus came to the Personnel Division more than a year ago by way of the Labor Branch. We regret to see him leave here, but wish him well.

* * * *

DAIRY BRANCH

(*) The United Kingdom is about to make additional large purchases of cheese in the U.S. ECA has reported that procurement directives have been approved in the amount of $20,800,000 for United Kingdom purchases of this commodity from the U.S. during the period July 1 through December 31.

(*) So far this year British purchases of cheese total 66,640,000 pounds, all of which is scheduled for shipment to the United Kingdom by June 30. About 40 million pounds of the total represent purchases of natural cheese, while the balance consists of processed cheese in 5-pound loaves.

(*) British cheese purchases this year have been conducted on the basis of open competitive bids at periodic intervals. The purchases were made by representatives of the British government who contacted the trade before each series of purchases.

(*) During 1948 the British purchased approximately 65 million pounds of cheese—about the same amount they bought during the first 6 months of this year.

A meeting of milk market administrators will be held in Duluth June 13 to 17. Various Department staff members will be present during the course of the meeting.

Dairy Products Purchases, May 27 through June 2:

Butter: The Department purchased 366,642 pounds of U.S. Grade A butter under price support during this period, while purchases of Grade B butter totaled 102,427 pounds. This brings the cumulative purchases of Grade A butter to 2,779,706½ pounds and the total for Grade B to 254,155 pounds. The total for the two grades stands at 3,033,861 pounds.

Spray nonfat dry milk solids: The Department purchased 7,224,006 pounds during this period to bring the total procurement under price support this year to 28,952,211½ pounds. Also purchased was 125,000 pounds of spray solids for the U.N. Children's Fund.

Roller nonfat dry milk solids: The Department purchased 5,709,182½ pounds during this period, bringing the total bought under price support to 31,956,967 pounds.

POULTRY BRANCH

(*) Farmers have received an average price amounting to 90 percent of parity for eggs so far this year. This was indicated by BAE's latest report on Agricultural prices, which showed eggs at 96 percent of parity as of May 15, making an average of 90 percent for the year to date. Mid-month parity levels for eggs earlier this year were: January 88 percent, February 87 percent, March 88 percent, and April 94 percent. While the parity level now rests at the point required by law, there is still the feeling in the Poultry Branch that egg prices will require support on a limited basis for some time in order to maintain the required level.

(more)

(*) Contents of starred paragraphs should not be used in any statements to public or trade.

POULTRY BRANCH (continued)

Currently, the buying of dried eggs for price support is only a shade heavier than it was in recent weeks, but cancellations of dried egg offerings have fallen off considerably. Last week price support purchases amounted to 2,159,199 pounds, with cancellations at 146,631 pounds, leaving the total buy for the year so far at 45,057,371 pounds.

FATS AND OILS BRANCH

(*) Some new-crop flaxseed was bought in Texas last week under price support programs.

(*) Fats and oils markets are still on the weak side, with improvement waiting on export demand and buying for ECA countries. Edible oils--principally soybean and cottonseed--weakened the last couple of days; inedible oils--principally tallow for soap making--have been fairly steady.

GRAIN BRANCH

(*) Discussed at the Branch staff meeting last week was the progress being made in moving old-crop grain into storage in the East, efforts to get export grain schedules lined up for the next few months, and accomplishments in moving grain sorghums out of Texas.

PMA officials met with bean dealers and warehousemen at Denver, Colo., June 6, to discuss proposals for uniform warehouse rates under CCC programs.

MARKETING RESEARCH BRANCH

The Branch's report on its Research and Marketing Act study of marketing sweet corn packed in consumer-size packages at the point of production was issued last week. The study shows decided advantages in retail labor costs and retail margins for the prepackaged product over bulk corn in husks, and indicates that spoilage of prepackaged corn is less than that of bulk corn. Preparation of the prepackaged corn for market, however, naturally costs considerably more, and the price to the consumer per dozen was slightly higher than for bulk corn. The returns to the grower under the two methods of marketing were about equal during this season. The study was made in cooperation with the Florida Agricultural Experiment Station.

Collection of data and much of the analysis have been completed in a study of retailing of prepackaged meats. This study covers marketing practices and problems of numerous retail stores. It is designed to provide a guide to the trade in determining which practices may be most feasible in various stores handling prepackaged meats.

(*) Contents of starred paragraphs should not be used in any statements to public or trade.

MARKETING FACILITIES BRANCH

(*) Because of the anticipated tight storage and transportation situation in the southwest winter wheat area, the Branch has arranged to receive weekly reports from wheat-producing counties in Texas, Oklahoma, Kansas, Colorado and Nebraska. These reports will indicate county production, the amount produced in excess of country storage facilities, progress of harvest, amount of wheat on the ground, number of cars shipped during the week, and the amount of grain held back for lack of cars or lack of terminal storage space. Summaries of these reports will be made available to people in the Department who are concerned with such matters as grain storage, transportation and marketing, as well as those who have dealings with the railroads and the Interstate Commerce Commission. The first report may be issued about mid-June.

FOOD DISTRIBUTION PROGRAMS BRANCH

At the request of the head of the Department of Home Economics of the University of Minnesota, the Midwest area food preservation specialist assisted with a 4-day food preservation workshop for graduate home economists. He also advised on the preparation of a food preservation curriculum for the summer session, for which credit toward a degree will be given. The area food preservation specialist was also asked by the State school lunch director for Minnesota to assist in planning a Statewide training program on food utilization for institutional personnel. Purpose of the program is to encourage more effective use of foods in abundance and of commodities made available through USDA price support program.

The Branch's five Area representatives for direct distribution will come to Washington June 9 for a meeting with Washington officials. They will be joined June 13-17 by the Area school lunch representatives, when all phases of the program will be discussed.

FRUIT AND VEGETABLE BRANCH

Subsidy claims actually filed under the citrus fruit export program through May 31 totaled $464,555 and covered 583,500 boxes of fresh fruit or fresh fruit equivalent.

The following U.S. standards are in clearance channels and should be effective by early July: canned red sour (tart) pitted cherries; frozen red sour (tart) pitted cherries; canned grapefruit juice; canned orange juice; canned tangerine juice; canned blended grapefruit juice and orange juice; frozen concentrated orange juice.

Purchase of 1948 potatoes through May 28 totaled 76,652,015 hundredweight. Of this amount 2,775,382 hundredweight went to direct distribution; 21,260,547 to livestock feed; 26,931,897 to alcohol; 350,431 to export; 19,756,721 to flour; 4,737,178 to starch; 761,117 to dehydration; 2,800 to storage; and disposition of 75,942 hundredweight is as yet unreported. All purchases terminated May 31 and subsequent reports will carry only adjusted figures--not new purchases.

(more)

(*) Contents of starred paragraphs should not be used in any statements to public or trade.

FRUIT AND VEGETABLE BRANCH (Continued)

Purchase of 1949 crop potatoes through May 31 totaled 460,325 hundredweight. Of this amount 112,715 hundredweight went to direct distribution; 100,160 hundredweight to flour; 219,680 to livestock feed; and 27,700 to airstrip drying.

SHIPPING AND STORAGE BRANCH

(*) Branch representatives are taking physical inventories of commodities at the leased facilities of the Bronx Municipal Terminal Market, New York, and at the Natural Cooler Storage, Atchison, Kans. General Accounting Office representatives are also visiting the Bronx Municipal Terminal Market.

(*) Tentative plans are being made to export for the account of ECA the Mexican canned meat located at Houston and New Orleans. It is understood the British have agreed to buy the meat, and a requisition is expected momentarily. There are more than 44 million pounds at these two ports. Total ownership of Mexican meat at present is approximately 118 million pounds.

(*) Preliminary computations indicate that CCC whole grain exports in May totaled 1,419,848 long tons. This figure does not include soybeans and flaxseed, which amounted to 48,151 long tons. Although preliminary, this figure indicates a new CCC grain export record for a single month and probably is an all-time U.S. record. The previous record was in March of this year when 1,369,028 long tons cleared. This figure did not include 79,050 tons of flaxseed and soybeans.

(*) Contents of starred paragraphs should not be used in any statements to public or trade.

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UNITED STATES DEPARTMENT OF AGRICULTURE
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June 13, 1949

MIDWEST INFORMATION SUMMARY

To: PMA Offices, Midwest Area

From: Walter W. John, Chief, Information Branch, Production and Marketing Administration, Midwest Area

Walter W. John

GRAIN BRANCH

(*) CCC exports of whole grains hit a new high record of more than 1.4 million long tons in May. Total movement of grain and grain products from all sources (CCC and commercial) was about 1.6 million. If movement in June equals the average of the last 10 months, the wheat and flour total for 1948-49 will exceed 500 million bushels by from 5 to 10 million bushels, but the total for coarse grains may be short of the 200 million goal for these grains by at least 10 million. The total of all grains and products, however, will be close to 700 million bushels-- an all-time high record.

(*) The July-September shipping program is still in the work stage, but it may develop in the next week or two.

DAIRY BRANCH

Price support purchases of butter, which slackened off in May are up again in June. Weakness in butter markets, especially in the East, helped to send purchases last week up to a new high mark, twice as high as in any previous week of the support program.

Officials point out, however, that although purchases went well above the million-pound mark last week, they represent only about 3 per cent of last week's estimated total butter production of 40 million pounds. About one-third of all production last week went into storage.

(*) Here are some of the factors now at play in the butter situation:

(*) 1. The government buying price for butter under the support program will jump 3 cents September 1, while storage charges until that date may amount to no more than 1 to 1-1/2 cents per pound. Thus, butter of U. S. Grade B or higher can be stored with the prospect of a healthy profit if the butter maintains its quality.

(more)

(*) Contents of starred paragraphs should not be used in any statements to public or trade.

DAIRY BRANCH (Cont'd)

(*) Market prices in the Midwest and East still are hovering near the present support levels of 59 cents per pound (for Grade A) and 57 cents per pound (for Grade B), which become 62 cents and 60 cents per pound, respectively, on September 1. Only a fraction of this increase would be needed for paying actual storage costs.

(*) 2. Butter supplies in storage are half again as large as the average for the past 5 years and nearly three times last year's stocks. Thirty-five major markets (representing 75 per cent of the total national supplies) reported storage holdings on June 4 of 46 million pounds. A year ago the figure was 17 million pounds, while the 5-year average is 30 million pounds. This butter was stored with the possibility of later sale to the government if a price support outlet is needed.

(*) 3. Some receivers, however, are unwilling to store butter, fearful of the grade on withdrawal from storage later in the year. Butter going into storage as Grade A might drop to Grade B quality while in storage and suffer a 2-cent drop in the eligible support price. Butter dropping below Grade B would be eligible for no support at all.

(*) 4. Some creameries are willing to sell below the support price because of alleged difficulties in accumulating carlots of one grade in uniform packages required under the support program. Also, some creameries are in need of quick returns and movement.

(*) 5. Although butter consumption is up by 20 per cent over last year, the distributive demand is slow at this time of peak production.

(*) 6. Reports of drought and adverse weather conditions for pastures in Wisconsin and other heavy producing areas have been calculated to result in a short flush production season.

(*) 7. Declines in the grain and securities markets also have been factors in the depressed market conditions.

Dairy Products Purchases, June 3 through June 9:

Butter: The Department purchased 739,545 pounds of U. S. Grade A butter during this period and 505,499 pounds of U. S. Grade B. Total amounts purchased under the support program are 3,519,252 pounds of Grade A and 759,655 pounds of Grade B for a cumulative total for the two of 4,278,907.

Spray nonfat dry milk solids: The Department purchased 10,883,021 pounds during this period to bring the total purchased under price support to 39,835,233 pounds. The total amount purchased under procurement programs this year totals 82,463,357 pounds.

(*) Contents of starred paragraphs should not be used in any statements to public or trade.

DAIRY BRANCH (Cont'd)

Roller nonfat dry milk solids: The Department purchased 6,044,069 pounds during this period bringing the total purchased under price support to 37,998,876 pounds. The total purchased under procurement programs this year is 27,583,574 pounds.

POULTRY BRANCH

Branch Director W. D. Termohlen has prepared an article which will appear in a coming special edition of the American Poultry and Egg Review to be devoted to the poultry industry in Canada. In the article, Mr. Termohlen has briefly outlined the progress Canada has made in the establishment and use of standards and grades for poultry and poultry products, the work of officials and scientists of the Canadian Department of Agriculture in connection with the wartime program for dried eggs, and efforts since the war in helping to improve the Canadian poultry industry.

Dried egg purchases for price support were about average last week with a total of 2,085,034 pounds acquired, less 417,265 pounds cancelled. The net total buy to date now amounts to 46,725,140 pounds.

Offers of dried whole eggs for delivery in July will be acceptable beginning next Tuesday, in keeping with the extension of the program for July and August as announced last week.

Proposed regulations governing the grading and inspection of poultry and domestic rabbits and edible by-products, and U.S. grades and standards for live, dressed, and ready-to-cook poultry and domestic rabbits, as well as minimum sanitary requirements for plants and facilities, were mailed out last week to approximately 2,000 representatives of the industry, State departments of agriculture, egg and poultry trade associations members, inspection and grading officials, public health officials and others. This is one of the final steps before issuance of these regulations, standards and grades. Director Termohlen requested careful examination of the material by the recipients and asked that suggestions or recommendations for changes be sent to the Poultry Branch by June 20.

FRUIT AND VEGETABLE BRANCH

Purchase of 1949 crop potatoes through June 7 totaled 563,382 hundredweight. Of this amount 113,485 hundredweight went to direct distribution; 101,240 to flour; 263,086 to livestock feed; 63,949 to airstrip drying; and 21,622 to demonstration uses.

Potato flour delivered against the Army's requisition fo use in occupied areas totaled approximately 340 million pounds through May 28.

Late spring vegetables are moving in volume now.

FOOD DISTRIBUTION PROGRAMS BRANCH

At the request of the Cincinnati Area Nutrition Council and Extension Service people in that part of Ohio, the Midwest area food preservation specialist has conducted a leader-training workshop on food preservation at Cincinnati University.

The workshop lasted two days and was attended by heads of home economics departments in nearby schools and colleges, school lunch supervisors, freezer-locker operators, public health nutritionists, public utilities home economists and members of the Parent Teacher Association. Representatives of Ohio State University also attended.

As a result of information gained at the workshop, the head of the home economics department of Miami University, Oxford, Ohio, will offer a food preservation course in connection with the school lunch instruction already included.

Following the workshop, the area food preservation specialist assisted the State department of public health in planning a county-wide food preservation center to be set up at Fremont, Ohio. This department is interested in the food preservation center as a means of improving school lunches, so that children of the many unemployed in that county may be assured a well-balanced meal.

FATS AND OILS BRANCH

CCC has bought 120,000 bushels new crop flaxseed in Texas for price support. Branch officials indicate that this will just about complete the direct purchase program for 32 Texas counties.

CCC has purchased 17 million pounds of inedible tallow to date this season for the Army. The tallow is for export to Japan.

Fats and oils markets are still in the doldrums. Soybeans rallied the last few days, but vegetable oils are low-priced, both soybean oil and cottonseed oil under 10 cents a pound.

MARKETING FACILITIES BRANCH

Effective July 1, the railroads will reduce freight rates 25 per cent on frozen fruits and vegetables eastbound from the Pacific Coast area. The Branch cooperated with the frozen food industry in obtaining this reduction.

The Interstate Commerce Commission has set hearings for July 28 at Denver, Colorado, on proposed increases in motor freight rates in the Rocky Mountain-Pacific Coast Region. The Branch is investigating the reasonableness of the proposed increases and plans to take part in the hearing.

COTTON BRANCH

Cotton loan repayments hit a new seasonal high of 96,800 bales during the week ended June 2. Net CCC loan stocks on that date totaled only 4,044,100 bales, compared with the 5,271,000 bales put under loan this season.

April cotton exports of 589,000 bales were the largest monthly total since the end of the war. Exports for nine months--August 1948-April 1949--totaled 3,647,000 bales. The probable total for the first 10 months of the marketing year was more than 4,000,000 bales. This was all that had been expected for the entire year, and there are two months to go before the end of this year's marketing season.

The new crop is reported to be in generally good condition. Squares have been forming in the south Atlantic and Gulf coastal plains, and plants are blooming in the Coastal Bend of Texas.

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June 20, 1949

MIDWEST INFORMATION SUMMARY

To: PMA Offices, Midwest Area

From: Vincent P. Freymann, Acting Chief, Information Branch, PMA, Midwest Area

ADMINISTRATIVE

Attached to this issue of Midwest Information Summary is a copy of a speech which George D. Bradley, director of the PMA Commodity Office in Chicago, gave at the annual meeting of the Indiana Grain and Feed Dealers at French Lick today. We recommend it as "must" reading for a good many PMA employees.

* * *

Robert J. Van Houten has been placed in charge of the Dairy and Poultry market news office at Cleveland, Ohio. Van Houten was employed in egg assembly plats in Ohio until he was named assistant in charge at the Cleveland office, May 23. He is a graduate of Ohio State University where he majored in poultry, finishing his college work after he got out of the Army. The Dairy and Poultry market news office at Cleveland is conducted on a Federal-State basis in cooperation with the Bureau of Markets in Ohio Department of Agriculture.

* * *

President Truman has signed the bill recently passed by Congress which increases to $9 the maximum per diem travel allowance for officers and employees of the government. As most of us know, the maximum has been $6. There has been no determination yet by PMA as to what the allowance shall be under this new bill. The bill also increases the mileage allowance on privately owned automobiles to 7¢ per mile either forlocal driving at the employee's station or for trips away from that point. It also authorizes advance of funds for travel with authority to recover such advances from salary due, retirement credit, or otherwise.

* * *

GRAIN BRANCH

(*) Consensus is that wheat crop prospects are not as good as they were a few weeks ago -- because of excessive rain in the Southwest and dry weather in the North. Canadian wheat country also is reported low in subsoil moisture. If our own wheat crop should fall much below 1.3 billion bushels, the total supply might be below the marketing quota level for 1950. However, the program for allotments and quotas is being buttoned up for use, if and when allotments and quotas are proclaimed.

(*) Commercial grain storage is reported a little easier to find in some parts of the Southwest since Secretary Brannan's announcement of 75 percent "distress" loans and of the program for financing farm storage structures. Some farmers who could not find commercial storage are now reported as being offered such storage. The situation is also being eased by continued PMA activity in moving grain from the Southwest into eastern and other storage. Negotiations are also under way to store some grain in the laid-up fleet on the Hudson River. At the same time, some manufacturers of farm storage structures are reporting increased orders from farmers.

(*) Progress is slow in setting up the July-September grain export program. The volume for Occupied Areas is firm, but uncertain for others. Few countries appear to have "old funds" available with which to make grain purchases. Importing countries, in general, seem to be awaiting a clearer picture on supplies and prices.

SHIPPING AND STORAGE BRANCH

(*) Requisitions have been received from ECA for approximately six million pounds of select 1949 dried egg powder to be delivered to the British. The eggs will be delivered to ECA, f.o.b. packaging plant. CCC will act as agent of ECA from time of delivery at plant until time of delivery at New York for export. The British will arrange for ocean shipping. The first shipments from drying plants are due this week. A requisition has been received also for 712 metric tons of dried eggs for Austria, which will be delivered through the port of New Orleans. It will be necessary to dry the eggs prior to delivery. Drying is being done now and deliveries should commence from the plant within two weeks.

(*) Mexican canned meat has begun to move from storage holding to export positions. Requisitions have been received for approximately 90 million pounds divided as follows: British 44 million pounds, the Army 42 million pounds, Greece 1.2 million, and Austria 3.3 million pounds. Delivery began last week on the British and Austrian portions. Delivery is expected to begin in the near future on the Greek and Army portions.

(*) Southwestern embargoes of grain shipments thus far have not seriously interfered with CCC's operations in that area. Prior to the Association of American Railroads restrictions, CCC had voluntarily reduced its grain shipments to Gulf ports and has to date been able to provide consistently sufficient ships to keep the ports liquid.

(*) Contents of starred paragraphs should not be used in any statements to public or trade.

FRUIT AND VEGETABLE BRANCH

Imperial Valley cantaloups are moving in heavy volume, and watermelon shipments are heavy out of Florida and Texas.

The Georgia peach crop is four weeks later than usual this year, due to adverse winter weather conditions. Crop is estimated as relatively short.

Purchases of 1949 potatoes through June 14 totaled 756,422 hundredweight. Of this amount 115,585 hundredweight went to direct distribution; 101,240 to flour; 371,202 to livestock feed; 123,730 to airstrip drying; and 44,665 hundredweight went to demonstration use.

POULTRY BRANCH

Moisture-resistant qualities of about 72 egg cases of different design and different type of fiberboard are being tested by the Poultry Branch with the cooperation of commercial firms in Milwaukee and Manawa, Wis. The cases, filled with eggs, are being handled, stacked and stored under normal commercial conditions and methods. They will be tested at storage periods of four, five, and six monthsto determine the moisture pickup of the cases, fillers, flats, and the eggs. Measurement tests also will be made to determine shrinkage or displacement of the cases.

Another test of cases stored at the bottom tier of stacks 10 cases high is being set up at Chicago. Fiberboard cases also are being used in this test and weight checks will be made before and after the test to determine the moisture pickup of the egg cases so stored.

The Forest Products Laboratory, Madison, Wis., has been asked to conduct a six months' moisture pickup test on all of the egg cases used in this project. Plans are to check the moisture content of the fiberboard each two weeks for a two-month period and then each month for the remaining four months.

(*) "Turkey on the Table the Year Round," (Farmers' Bulletin No. 2011) has gone to press. With every indication that the publication will prove popular, the bulletin has been prepared by the Bureau of Human Nutrition and Home Economics, the Bureau of Animal Industry and PMA, to tell homemakers how to select and prepare turkeys and parts of turkeys for the table. In view of the heavy increase in turkey production expected this year, the National Turkey Federation has requested that priority be given to the printing of the bulletin so that it will be available to homemakers when the 1949 crop of turkeys is being marketed.

FOOD DISTRIBUTION PROGRAMS BRANCH

Television news commentator Clifton Utley, Station WNBQ, NBC, Chicago, is featuring "foods of the month" regularly on his 10:15 p.m., Wednesday broadcast. The Midwest Area Information and FDPB Branch offices are cooperating in preparation of information for these telecasts.

The Branch has received assurances from a national retail chain that it will endeavor to give more attention to plentiful foods as menu features in its stores throughout the country.

(*) Contents of starred paragraphs should not be used in any statements to public or trade.

FATS AND OILS BRANCH

Not much change in the fats and oils situation from a week ago. Markets are dull. CCC purchases of inedible tallow have been upped to 22 million pounds for the season.

(*) A bill was introduced in Congress last week which would extend fats and oils import controls until January 1951. Under existing legislation the controls will expire June 30 this year. The entire industry is interested in what action will be taken on the proposed extension. Until a decision is reached, there probably will be little activity in fats and oils markets.

DAIRY BRANCH

Dairy Products Purchases, June 10 through June 16:

Butter: The Department purchases 616,415 pounds of U. S. Grade A butter during this period and 810,173 pounds of U. S. Grade B. Total amounts purchased under the support program are 4,135,667 pounds of Grade A and 1,569,828 pounds of Grade B for a cumulative total for the two of 5,705,495 pounds.

Spray nonfat dry milk solids: The Department purchased 7,929,654 pounds during this period to bring the total purchased under price support to 47,704,737 pounds (cancellations and adjustments are accounted for in this cumulative total). The total amount purchased under procurement programs this year is 82,463,357 pounds.

Roller nonfat dry milk solids: The Department purchased 6,588,604 pounds during this period, bringing the total purchased under price support to 44,527,480 pounds (cancellations accounted for in this cumulative total). The total amount purchased under procurement programs this year is 27,583,584 pounds.

MARKETING RESEARCH BRANCH

Several additional States, the territory of Puerto Rico and possibly Alaska, are expected to join in the Branch's program for improvement of market service work. This program, in which 23 states already are taking part, is handled cooperatively by the Branch and State departments of agriculture and bureaus of markets, under the Research and Marketing Act.

MARKETING FACILITIES BRANCH

A new wholesale produce market was officially opened last week in Greenville, S.C. The market was built according to recommendations of the Branch. It provides facilities for farmers and truckers to sell produce, as well as for local produce wholesalers. The market was designed and built to reduce the cost of food distribution and to improve the distribution of perishable foods in Greenville.

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COMPLIANCE AND INVESTIGATION BRANCH

Judgment was entered in favor of the United States (CCC) against Gust Visser, Ada, Minn., in the amount of $2,478.50 plus interest and court costs of $351.76, or a total of $2,830.26. Suit was instituted to recover from Visser the amount of the potato loan he received from CCC in 1945 and failed to repay.

Judgment was entered in favor of the United States (CCC) against L. S. Visser, Ada, Minn., in the amount of $842.10 plus interest and c ourt costs of $180.43, or a total of $1,022.53. Suit was instituted to recover from Visser the amount of the potato loan he received from CCC in November 1945 and failed to repay.

COTTON BRANCH

Repossessions of 1948-crop loan cotton dropped sharply during the first week of June, and CCC loan stocks on June 9 totaled 3,975,500 bales. Repossessions for the season through June 9 totaled 1,295,300 bales.

The crop replanting in north and west Texas and in Oklahoma has been hampered by continued rain. Heavy rains also have occurred in most of the central belt. Crop progress in most other areas has been generally good.

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June 27, 1949

MIDWEST INFORMATION SUMMARY

To: PMA Offices, Midwest Area

From: Paul B. Ostendorf, Acting Chief, Information Branch, Production and Marketing Administration, Midwest Area

Paul B. Ostendorf

POULTRY BRANCH

Representatives of the Poultry Branch will attend a meeting in Chicago June 30, which will be held at the request of the Institute of American Poultry Industries for final consideration by that organization of the proposed revision of standards, grades, and regulations relating to grading and inspection of poultry and rabbit products.

Copies of these proposed revisions were sent out recently by the Poultry Branch to industry representatives, officials of State Departments of Agriculture, sanitation and educational institutions for final consideration before adoption of the regulations.

Since that time meetings have been held with the Southeastern Poultry and Egg Association at Gainesville, Ga., and the Virginia State Department of Agriculture at Harrisonburg, Va., to discuss the revisions. These meetings were attended by representatives of the Branch's marketing services division.

Relatively few suggestions for changes in the proposed revisions have been received so far.

Price support purchases of dried whole eggs last week were somewhat lighter than for the previous week with cancellations heavier. The total buy was 1,626,278 pounds - all for July delivery with cancellations at 700,385 pounds. Total purchases for the year to date now amount to 49,007,841 pounds.

(*) The Poultry Branch now expects that Farmers' Bulletin 1815 "Grading Dressed Turkeys," which has been materially revised both in text and visual material, will be ready for distribution by early fall when the turkey marketing season for 1949 gets under way.

(*) The Poultry Branch manuscript on the research project covering the marketing of eggs in Midwestern States has been sent to the printers. The State of Michigan will handle the printing or processing. An initial run of approximately 30,000 copies will be made and about half of these will be available for distribution by the Branch. Including illustrations, it is expected that the publication will be 24 to 26 pages and probably will be available not later than mid-August.

(*) Contents of starred paragraphs should not be used in statements to public or trade.

GRAIN BRANCH

(*) June exports are moving on schedule. Total for the month (CCC and commercial) may be about 30 million bushels of wheat and flour, and 20 million of coarse grains. July-September program not "firmed up" as yet.

(*) Reports continue of some wheat crop damage, some rust and low test weights. Prices are considerably above the lows of a few weeks ago. Final price support rates for 1949 crop will be announced after June price report becomes available.

FRUIT AND VEGETABLEBRANCH

Purchase of 1949 crop Irish potatoes through June 21 totaled 921,624 hundredweight. Of this amount 121,043 hundredweight went to direct distribution; 101,240 to flour; 150 to dehydration; 464,161 to livestock feed; 150,694 to airstrip drying; and 84,336 hundredweight were used for demonstration purposes.

FOOD DISTRIBUTION PROGRAMS BRANCH

Branch officials report that New Mexico and Michigan have agreed to take over operation of school lunch programs in private schools in those States. This will bring to 22 the number of States handling the school lunch program in private schools. NOTE: The National School Lunch Act provides that where State Agencies are not in a position to do this, the Department of Agriculture supervises this part of the program.

SHIPPING AND STORAGE BRANCH

Mexican canned meat is moving to program in a satisfactory manner. Approximately 90 million pounds have been requisitioned by the British, Army, and Austria. This leaves approximately 33 million pounds available with no immediate program in sight. The total quantity specified by the requisitions has been made available for lifting by July 15.

Shipments of Irish potatoes from the Eastern shore of Virginia and North Carolin have been light. Market prices have been considerably higher than the support price. There has been heavy demand for U. S. No. 1 size "B" potatoes for export to Cuba and Puerto Rico.

Dry milk is being placed in storage as soon as delivered by vendor. Approximate 158 million pounds have been allocated to storage so far. There is a possibili the Army may take about 21 million pounds of the milk for the Pacific, but nothing definite has been received on this as yet.

(more)

(*) Contents of starred paragraphs should not be used in any statements to public or trade.

SHIPPING AND STORAGE BRANCH (Cont'd)

A sizable storage program for dried fruit is anticipated in the San Francisco area. Approximately 62,000 tons of fruit remain undelivered under contract and with the exception of 7,500 tons of raisins and size 100/120 prunes, all will be placed in cooler storage. The smaller size prunes which will amount to approximately 6,700 tons are being left in the hands of vendors in natural condition form because of the possibility they will be used for industrial purposes.

DAIRY BRANCH

Dairy Products Purchases, June 17 through 23:

Butter: The Department purchased 622,543 pounds of U. S. Grade A butter during this period and 675,357 pounds of U. S. Grade B. Total amounts purchased under the support program, corrected for over-deliveries and cancellations, are 4,758,210 pounds of Grade A and 2,224,226 of Grade B for a cumulative total of 7,002,436 pounds.

Spray nonfat dry milk solids: The Department purchased 8,966,261 pounds during this period to bring the total purchased under price support to 56,671,198 pounds (corrected for over-deliveries and cancellations). The total amount purchased under procurement programs this year is 82,463,357 pounds.

Roller nonfat dry milk solids: The Department purchased 7,721,662 pounds during this period, bringing the total purchased under price support to 52,261,389 pounds (corrected for over-deliveries and cancellations). The total amount purchased under procurement programs this year is 27,583,584 pounds.

FATS AND OILS BRANCH

PMA purchases of about 35 million pounds of inedible tallow since mid-May on the West and East Coasts have had a stabilizing effect on the market for the better grades. Lower grades are in plentiful supply and prices are low. PMA purchases were made for the Army for export to Japan. While there was some steadying of prices of edible oils earlier last week, prices later declined. Stocks of crude soybean oil seem to be plentiful, while crude cottonseed oil stocks are lower.

MARKETING FACILITIES BRANCH

Plans for a new wholesale market for Boston will be presented to interested groups in that City, June 27 (today) through June 30 inclusive. The proposed market would consist of more than 450 wholesale stores for dealers in fresh fruits and vegetables, meats, poultry and eggs, dairy products, frozen foods and other products. The proposed facilities would cost between 13 and 14 million dollars. By operating in the recommended facilities the annual cost of handling perishable foods in the Boston area could be reduced by about 3 to 4 million dollars.

COTTON BRANCH

Domestic mill consumption of cotton in May was the smallest for that month since 1938. Total of about 6,742,000 bales for the first ten months (August-May) of the current season compares with 7,927,000 during the like period in 1947-48 -- a 15 percent decline.

Cotton loan repossessions dropped sharply during the second week of June. At current repayment rate, CCC loan stocks on August 1 would total about 3,650,000 bales.

World carryover of all kinds of cotton on August 1 isprojected at about 15 million bales by the International Cotton Advisory Committee. Carryover on same date last year was about 14.1 million bales. Largest on record was 28.7 million bales August 1, 1945.